

Light rail to push up house prices

Andrew West
TRANSPORT

PROPERTY values along light rail corridors could soar, a new report suggests, but experts say governments would need to temper the price rises with more affordable housing.

A new paper from the lobby group the Tourism and Transport Forum, supporting the extension of Sydney's limited light rail network, cites examples in the United States where land values within 800 metres of mass transit have risen by as much as 120 per cent.

"Light rail is also seen to have a positive effect on property values," the forum's paper says.

It refers to increases in house prices of 32 per cent near the Metrolink lines in St Louis, Missouri; 45 per cent increases in the value of apartments along the line in Santa Clara, California; a 120 per cent increase in the value of office space along the same line; and a 30 per cent rise in retail space values along the light rail system in Dallas, Texas.

"This premium value," the forum paper says, "paves the way for transit-oriented development strategies, which increase both density along light rail corridors and increase patronage, improving the cost benefit of the system."

The planned extension of Sydney's light rail, from the Lily-

field terminus to Dulwich Hill train station, is also likely to affect property values in Leichhardt, Haberfield, Lewisham, Summer Hill and Dulwich Hill.

A study found that after dedicated bus transitways opened in Brisbane, "median property values for suburbs adjacent to the transitway increased by between 3.9 per cent and 20.86 per cent within a few months of opening, compared with a value change of between minus 4.35 per cent and and 6.63 per cent for non-adjacent suburbs".

'Good public transport should be available to all.'

Mary Perkins, Shelter NSW

But housing advocates warn the government would need to zone some of the precincts near light rail for accommodation for low and middle earners. "Access to good public transport is often reflected in house prices," the executive officer of Shelter NSW, Mary Perkins, said. "We argue that when governments are developing new areas around transport hubs, there has to be meaningful affordable housing."

But Ms Perkins doubts there will be a big increase in inner-

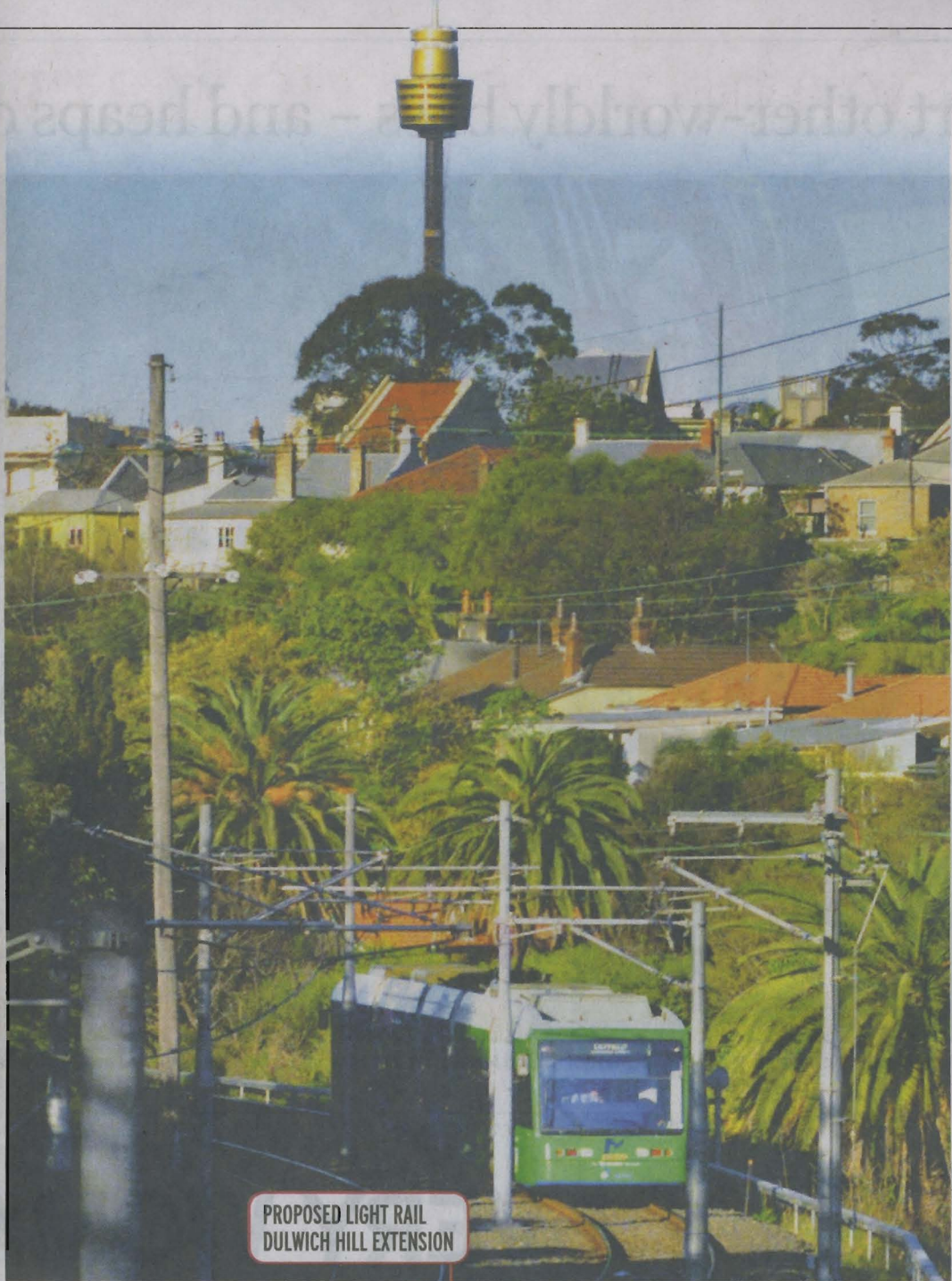
west property values because the suburbs are already served by heavy rail and buses – and already expensive.

"We believe good, accessible public transport should be available to all suburbs," she added. "Public transport only adds specific value to property when it is a rare commodity."

The director of the Urban Research Program at Griffith University in Brisbane, Brendan Gleeson, said governments around Australia and overseas were already imposing modest levies on mainly commercial properties that gained a windfall from the building of nearby rail lines. He said these "betterment" levies, often payable over 10 to 20 years, could be earmarked for the building of affordable housing along public transport corridors.

"These prevent the entire windfall from publicly funded infrastructure being siphoned off for purely private again," Professor Gleeson said.

One of the world's leading urban planners, Professor Ed Blakely, said the introduction of permanent infrastructure – such as light rail or even a simple overhead wire for a trolley bus – encouraged better development. "You get a better result than with an ordinary bus route because people fear that the bus can move away."



**Projected house prices for 2010 in suburbs
along the planned extension of the light rail line**



Source: Australian Property Monitors